

## Behavioural Economics

### Individual Assignment 1, 2024-25

#### **Assignment Instructions**

All assignments must be submitted ONLINE via my.wbs by **12pm (midday) UK time** on the date displayed against this assessment.

Please allow sufficient time to complete the automatically generated coversheet, especially if (where permitted) you have used a generative Artificial Intelligence (AI) tool during the process of completing your assessment as you will be asked to briefly outline which AI tool you have used and what you have used it for.

#### **Word Limit**

1000 word limit.

#### **Word Count Policy**

WBS has a school-wide policy on word counts. This is strictly enforced to ensure consistency across modules and programme. You can find more information about this policy in your Student Handbook under Academic Practice - [7i. Word count policy](#).

**This is a strict limit not a guideline: any piece submitted with more words than the limit will result in the excess not being marked.**

#### **Academic Practice**

Please ensure you read the full guidelines for [Academic Practice](#) in the Undergraduate Handbook and ensure you understand it. **If in doubt, please seek clarification in advance of your submission.** This includes important information on:

- Cheating, plagiarism and collusion
- Correct referencing
- Using internet sources in assessments
- Academic writing
- English Language support
- Word count policy

When you submit this assignment online, you will be required to tick a declaration box indicating that the work involved is entirely your own. Each assignment will be put through plagiarism software to identify any collusion or inadequate referencing of materials used from different sources. Please do not submit images of your typed work unless you have been specifically requested to do so.

We would consider taking action if your work:

1. is too reliant on the words of particular authors (rather than presenting your ideas in your own words), if the essay uses the ideas or words of an author without referencing them or putting their words into quotations (**plagiarism**).
2. suggests that you have worked very closely with another student or students (unless explicitly asked to do so by your Module Leader/Tutor) (**collusion**).
3. includes unreferenced work that you have previously submitted for any accredited course of study (unless explicitly asked to do so by your Module Leader/Tutor) (**self-plagiarism**).

### The Use of Artificial Intelligence (AI)

The University recognises an increasing number of technologies such as Artificial Intelligence and that they may be applicable in your completing this assessment. The assessment brief sets out specific requirements or restrictions, and the [Undergraduate Student Handbook](#) has further guidance and advice which you should note.

You are reminded that the inappropriate use of such a technology may constitute a breach of University policy, such as the [Proofreading Policy](#) or [Regulation 11 \(Academic Integrity\)](#). If you breach these policies, it may have significant consequences for your studies. Please make sure you read and understand the assessment brief and how AI may or may not be used.

If a generative AI or similar is permitted and has been used you MUST make clear why you used such a tool or service, what you used it for and you will be obliged to confirm that you take sole intellectual ownership of any submitted work.

Failure to disclose the use of generative AI (or similar) at the point of submission may be prejudicial in any later investigations should they arise.

#### **For this assessment the use of AI is Prohibited**

You **MUST NOT** use any generative Artificial Intelligence in this assessment unless specifically authorised for reasonable adjustments. You **MAY** use non-generative tools such as a spell-check, basic grammar check (non-generative), calculator or similar. If you have any doubts about a tool or service you plan to use please contact the module leader.

### Extensions and Self-certification

Late submissions will incur a penalty of 5% for every 24 hour period after the due date and time, i.e. this begins one minute after the submission deadline (beginning at 12.01pm).

Requests for **specific extensions** (of up to 15 days) which are typically for longer and more serious concerns must be submitted via my.wbs ideally 72 hours BEFORE the deadline. Extensions can only be approved if you clearly detail your circumstances and provide supporting documentation (or a reason as to why you cannot provide the supporting documentation at the time) as set out in the [Mitigating Circumstances Policy](#).

**Self-certification** is a university-wide policy whereby you are permitted an automatic extension of 5 working days on eligible written assessed work without the need for evidence. WBS permits self-certification for all types of written, assessed works such as essays and dissertations. It is not permitted for exams, course tests, or presentations.

You can self-certify twice within each year of study, starting from the anniversary of your course start date. This will cover all eligible written assessments that fall within the self-certification period, as long as they have not previously had an extension applied. To find out further details about the self-certification policy please see: <https://my.wbs.ac.uk/-/academic/20778/item/id/1244460/>.

If you wish to self-certify for an extension of 5 working days, please select 'Self-certification' in the Extension Type field. If you wish to request a longer extension than 5 working days, please leave the Extension Type as 'Standard'.

---

Your assignment instructions begin below.

---

Whichever topic you choose, your answer should be supported by evidence from the behavioural economics literature. When making a claim about a theory, finding, or pattern of behaviour, you should include a reference to a source that supports this (preferably to a scientific article and preferably one that contains clearly supporting evidence from an experiment or study of some kind). You should read and cite, *at the very least*, 5-7 references. Essays based on more references (especially scientific articles) tend to get higher marks.

**Choose 1 of the following question topics**

**1. System 1 & System 2**

When is driving a car more like a System 1 thinking task, and when is it more like a System 2 thinking task?

**2. Gambling and Insuring**

There are many people who will gamble e.g. by playing the national lottery. This suggests that they are *risk seeking* for unlikely outcomes. However, the same people will often buy insurance against rare one-time events e.g. single day insurance against crashing while taking part at a supercar driving experience day. This suggests that they are *risk averse* for unlikely outcomes. How can Behavioural Economics explain the same individual exhibiting these seemingly contradictory behaviours of risk aversion and risk seeking?

**3. Application Order Effects**

A job applicant is preparing their written application. The application requires that they list all of their scores across a number of different competencies. The applicant has very good scores on some of these competencies, but is not very good on others. They have to list all of these scores honestly, but can choose what order they present them. Use behavioural economics to examine what is the best order to list the better/poorer competencies to give the human assessor the best possible impression.

## Format

*Referencing:* follow the Harvard style.

*Footnotes:* Preferably no footnotes (or a maximum of 2).

Please follow WBS guidelines regarding font size and other formatting aspects.